

MESSAGE

OF THE

GOVERNOR OF OHIO

TO THE

FIFTY-THIRD GENERAL ASSEMBLY,

AT THE

ADJOURNED SESSION COMMENCING JANUARY 3, 1859.



COLUMBUS:

RICHARD NEVINS, STATE PRINTER.

1859.



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GOVERNOR'S MESSAGE.

Fellow Citizens of the Senate and of the House of Representatives:

At the commencement of your regular session a year ago, I transmitted to you in obedience to the Constitution, a full exposition of the general condition of the State, together with such recommendations in respect to legislation, as the public good seemed to me to require.

In that communication I endeavored to set in a clear light the industrial progress, the material resources and the financial strength of our great commonwealth. It seems not inappropriate, now, before proceeding to more special statements and particular suggestions, to submit to you some general views of our social condition, as affected by other elements than those to which I then invited your attention.

Seventy-one years ago what is now Ohio, was unbroken wilderness. Seventy years ago the work of American civilization within her limits was just begun by the settlements at Marietta and Cincinnati. Fifty-four years ago she became a State of the American Union. Her subsequent social progress has been a sublime triumph. To-day a powerful commonwealth, numbering nearly two millions and a half of people, exists upon her soil, with unsurpassed energies, resources, agencies of development, and means of happiness. From the eminence already reached we survey, with confident reliance upon the favor of Divine Providence and the inspiration of Free Institutions, the loftier heights yet to be attained.

Prominent among the elements which determine social condition, is the numerical advance or decline of population. The rate and character of this movement, in the absence of a census, must be gathered from the number of marriages; of births; of deaths; of immigrants; of emigrants, and of new habitations. For ascertaining the number of these with reasonable certainty, sufficient means are supplied by State and Federal legislation. According to the estimates of the Commissioner of Statistics,

the Marriages in Ohio during 1855 were 24,000; the Deaths 45,000; the Births 80,000; the Naturalizations 5,000; the new structures 10,000. The increase by births, according to this estimate, is 35,000 annually, and the yearly immigration from foreign countries and other States is estimated to exceed the yearly emigration by 20,000; giving an aggregate increase of 55,000 annually, or 440,000 in eight years. The new structures, allowing six persons for each, indicate nearly the same rate of progress. The population of Ohio in 1850 was 1,980,329, and is now, if the estimate just referred to be correct, 2,420,329.

The foremost concern of an intelligent and prosperous people is Public Instruction. The mind of every community is the motive power of its advancement; and the measure of its education is practically the measure of production and of all substantial progress. In Ohio the Constitution wisely requires the General Assembly to secure a thorough and efficient system of Common Schools throughout the State. The honor of the first act, in fulfilment of the duty thus enjoined, belongs to the Legislature of 1852-3. That Legislature re-organized common school education in Ohio. It does not at all detract from the honor justly due to it, to say that much had been done by previous legislation and by the intelligent and zealous labors of the first State Superintendent and the State Teachers' Association, to prepare the way for the comprehensive and beneficent measure then adopted, under which the Common Schools of Ohio have attained their present state of excellence and usefulness.

A brief comparison between the condition of our Common Schools the year before this enactment and at the present time, will illustrate, in some degree, its happy effects.

The number of Common Schools in 1853 was 5,984; in 1858, 12,500: the number of youths over five years of age and under twenty-one enumerated in 1853 was 806,782; in 1858, 843,840: the youth enrolled as attending school in 1853 were 358,417; in 1858, 600,343: the average number in daily attendance in 1853 was 271,196; in 1858, 355,863: the number of teachers employed in 1853 was 13,564; in 1858, 19,873: the amount paid teachers in 1853 was \$800,145.00; in 1858, \$1,975,832: the number of school houses in 1853 was 6,850; in 1858, 10,497: the value of school houses in 1853 was estimated at \$2,000,000; in 1858, at \$3,846,420.

These figures exhibit a gratifying progress; but they by no means furnish a complete view of our educational condition.

There has been a constant and rapid progress which figures cannot measure. The character and condition of our school houses and school rooms have been greatly bettered; the standard of qualification for teachers advanced; the methods of teaching improved; the range and scope of instruction enlarged; and the results, in acquisition and capacity, largely augmented.

A great educational work is prosecuted, also, outside of the Common Schools. The Colleges and Female Seminaries in the State, send forth yearly numerous young men and women to take up and carry forward, in its various departments, the work of moral, social and political improvement. During the past year I attended the Commencements of as many of the Colleges as was practicable, and was gratified to observe the marked ability and proficiency displayed by the graduates.

It is to be regretted that the requirements for admission and the course of instruction vary so greatly in these Colleges and Seminaries; and I would suggest the expediency of establishing by law some classification of these institutions, and some educational standards to which Universities, Colleges and Seminaries shall be required respectively to conform, in the admission, instruction and graduation of students, as conditions of incorporation.

Besides these Colleges and Seminaries, there are many Schools, corresponding in general character with our Common Schools, but sustained by denominational or private resources, in which a large number of youths receive instruction.

I regret that I have no means of ascertaining the number of these various educational institutions; the number of their teachers, students or pupils; or their schemes of instruction; or their results; and I respectfully suggest the expediency of such legislation as will secure the collection of this information, so essential to a full understanding of the condition of our population in this important respect.

It will not escape your observation that, while the actual progress and condition of our Common Schools may well gratify and encourage the friends of popular education, there yet remains a work to be accomplished which imposes grave responsibilities and must needs excite earnest solicitude. The whole number of youth of the school age, as has been already stated, is 843,540, while the number enrolled is 609,343, making the number not enrolled 234,197. The disparity between the whole number and the number, 355,863, in daily attendance, is more striking. The difference is 485,977. Making every allowance for the number taught in private or

denominational schools, there must still remain a considerable number who attend no school at all, while of those who do not absent themselves altogether, a very large proportion attend so irregularly or for such brief periods that they derive little benefit from it.

Next to this absenteeism, the most serious hindrance to the prosperity of the Common Schools is the want of a sufficient number of well qualified teachers. Not a few indeed of our teachers possess eminent qualifications for their responsible office. To such we owe not only many excellent district schools, but also the High Schools which adorn many of our cities and towns, and afford opportunities for education which would have been sought in vain a few years ago in most of our Academies and Colleges. A very large number, however, are extremely deficient both in knowledge and in that ability to teach which mere knowledge can never give.

The correction of these evils, so far as may be practicable, is your duty, and will be, I trust, your pleasure and your honorable distinction.

The best means, in my judgment, of securing an adequate number of good teachers, are the establishment of Normal Schools and the encouragement of Teachers' Institutes. I ventured to suggest last year the organization of a Normal Department in one or both our State Universities. More immediate and perhaps more valuable results would probably be obtained from the establishment of three or four Normal Schools in different districts of the State, giving the preference within each district to the city or town which would provide the best buildings for the purpose without cost to the State. Provision has already been made by law for the encouragement of Teachers' Institutes, but it is uncertain and inadequate. I recommend the direct appropriation of an adequate sum, to be paid, on compliance with proper conditions, upon the certificate of the State Commissioner.

The indispensable necessity of securing general, regular and continued attendance in school is universally acknowledged. Without this the great object of the common schools, namely, a good education for every child in the State, fails of accomplishment. The Federal Census of 1850 exhibited the fact that over thirty-five thousand persons in Ohio, twenty years old and upwards, were unable to read or write. This number was about one in seventeen of all the people of the same age. If we reflect that besides these totally illiterate persons, there is a large number whose education hardly raises them to a higher level, we shall attain some just conception

of the importance of adequate provision for universal attendance. We must not be satisfied while one person capable of instruction remains untaught or ill taught. No means seem better adapted to secure attendance, awaken interest and quicken effort in the attainment of knowledge than frequent visits, addresses and conversations by properly qualified officers of the State. The law recognizes the value of this agency in requiring the State Commissioner to devote a portion of his time to such labors. But it is obvious that the thorough discharge of the other duties imposed on him is quite incompatible with efficient labors of this kind. I suggest, therefore, that he be authorized to employ one or more competent agents to visit every township and urge upon parents, teachers and children, the duties essential to the highest efficiency of our schools. This plan has been adopted elsewhere with the happiest effects. If adopted here, we need not fear the disclosures of any future census, or doubt that our system of Common Schools, already regarded as a model for imitation by other States, will vindicate, by perfect success, its claims to admiration and honor.

While we may reasonably hope that the illiterate, as a class, will soon disappear from our society, no such pleasing expectation can be indulged in respect to that large portion of the community whom defect and disease in mental or physical organization render proper objects of public care; and whose number and relation to society constitute another element of our social condition, which must engage your notice.

The benevolence of the State has already provided three Asylums for the Insane, which have cost for grounds and construction about \$474,000, and are sustained at an annual expense of \$90,000, excluding charges properly belonging to the account of construction and interest. The cost of the Northern and Central Asylums has been about \$153,000 each; that of the Southern about \$168,000. The actual value of the Central Asylum is now probably more than double that of either of the others.

In these Asylums there were at the beginning of the last year, 568 inmates, and there were received during the year 414, making the whole number of participants in their benefits 982; there were discharged, 412; there died 43, and there remained at the commencement of the current year, 570. Of those discharged 240 had been restored to sanity, and 35 decidedly improved. The average expense of each inmate was about \$158.

The Central Asylum will accommodate 250 inmates, the Northern 150, and the Southern 160. Each has been filled to the extent of its capacity.

Another Asylum is in progress of construction in Hamilton County, for the reception of the insane of that County only. After its completion and opening, that County will constitute the South-western Asylum District.

The number of Insane in Ohio according to the census of 1850 was 1,303. This number was doubtless understated. I am satisfied that the present number is not less than two thousand. The Superintendent of the Central Asylum thinks it does not fall short of three thousand. The arguments which establish the duty of some provision for some of the Insane, require, doubtless, adequate provision for all. Several plans for such provision have been suggested. One contemplates the enlargement of one or more of the existing Asylums; another proposes to provide for the support and treatment of the Insane in the County Infirmaries; while a third, not necessarily excluding the others, suggests the enactment of a law for the establishment and regulation of private Asylums, in which a large portion of the Insane would be provided for by their friends without charge to the State. I have no hesitation in recommending the legislation contemplated by this latter suggestion. The information necessary to a well grounded choice between the other plans is not yet accessible. My impression is that the first will prove most economical and most beneficent; if indeed, after the completion of the South-western Asylum and the enactment of a judicious law for Private Asylums, either shall be found necessary.

The condition of the Idiotic, equally with that of the Insane, must engage the attention of the philanthropist and statesman. A few years ago this hapless class seemed beyond reach of effectual relief. Recently, however, attempts to rescue them from their apparently hopeless condition have been crowned by results which inspire hope and encourage perseverance. The judicious humanity of the last General Assembly inaugurated a systematic plan for their instruction and improvement, which has been so far executed under your auspices, that ultimate success is no longer doubtful. It is not, indeed, to be expected that the Idiotic can be elevated to any high degree of capacity; but very many of them can be qualified to earn their own subsistence, and nearly all can be trained to habits of neatness and propriety. The whole number of idiots in the State is reasonably estimated at about 2,000. Of these, 500 are of a proper age to receive instruction. In the Asylum, recently opened for their reception, there were, at the commencement of the present year, 16; there were received during the year 22; there were discharged 6; there are absent 6;

the number under instruction at the commencement of the present year, was 26; the average number maintained at the State's expense 20. The expense of the year, excluding the cost of permanent improvements, has been \$3,845 67. The average annual expense of each pupil, was \$192 50. When the Institution is full, the average expense of each pupil will of course be less, and will not exceed the average cost of each inmate of the other Asylums. The question of the permanent establishment and location of the Institution should be promptly decided. If decided affirmatively, provision should be made for the purchase, either of the property in which it is temporarily established, or of some other site. After careful consideration of all circumstances, I think it my duty to recommend the first of these alternatives as most judicious and most economical.

Deaf mutes constitute another class for whose education public provision must necessarily be made. To our State belongs the honor of first recognizing this principle; and nearly thirty years have now elapsed since her Asylum was first opened to these unfortunates. The number now in the State is estimated at 1,200. Of these, more than one-third have received instruction in the Asylum, and probably another third are of suitable age for admission. Of this latter number 150 are in actual enjoyment of its benefits, while 250 are necessarily excluded. The number admitted during the year was 35, and the same number was discharged. The expenses of the Institution paid by the State during the last year were \$21,177 94. The average cost of each inmate was \$141. The importance of adding to the instruction in this Asylum, proper training for some industrial occupation, as well as the necessity of some further provision for those whom its limited capacities exclude from admission, will doubtless engage your serious consideration.

Another class whose situation enlists the warmest sympathies of every feeling heart, and invokes irresistibly the provident benevolence of the State, is the Blind. The total number of this class is estimated to be 840. Of this number about 200 are of proper and legal age for admission to the Asylum. Of these about 60 have either already received its benefits, or are thought by their friends too young to be sent to it; leaving 140 who should be under instruction. There were in the Asylum last year 100. There were admitted or re-admitted during the year 28; the whole number under its instruction up to its close was 105. The average number in daily attendance was 94. The expenses, excluding \$5,500 for permanent

improvements, were \$13,387 95, showing an average outlay for each inmate of near \$142.

It thus appears that the whole number of persons rendered infirm and dependent by defective or diseased organization is 6,040; that of these 3,040 are in conditions requiring provision for them in public or private institutions; that 847 are actually in the State Asylums, leaving 2,193 unprovided for, except so far as they may find relief in County Infirmaries, or private families; that the average number constantly in the Asylums through the last year was 834; that the total cost to the State of their maintenance during the year was \$128,410; that the cost of each inmate for the year was \$154; that to provide for those needing, but not now receiving, the benefits of the Asylums, at the same rate, would require an annual additional expenditure of \$337,722, making an aggregate annual outlay of 466,132; and that these estimates are exclusive of interest, about \$36,000 on the capital, about \$600,000, invested in the existing Asylums, and of the yearly cost of permanent improvements, which was last year about \$13,000; and of the capital yet to be invested in new sites and structures, and of the interest upon that.

No one desires more earnestly than I that the General Assembly may fully discharge the obligations, assumed in the Constitution by the whole people, to the children of sorrow. The duty of fulfilling them is clear, and the benefits of its performance evident. The social condition of no people can be what it should be, while a class of guiltless and helpless victims of physical or mental disorder remains unrelieved. Nor is the duty of relief less imperatively dictated by considerations of economy, than by considerations of philanthropy. The dependent infirm must be sustained by society in some form. The only choice is between modes. And how much better that mode which raises so many of them from depths of helplessness and wretchedness, and makes them self-supporting and even useful members of the community, than that other mode which wastes resources in fitful and inadequate relief, drops its wretched objects in their sorest need, and inflicts upon society the moral and social evils necessarily resulting from the presence of such a class neglected in its midst.

The statements I have submitted are designed to set clearly before you the nature and magnitude of the evil, for which you are called upon to provide a remedy. They will, perhaps, convince you of the necessity of restoring the policy adopted at the opening, and pursued for twelve years

in the administration of the Asylums, of requiring that the cost of maintenance in them be defrayed by the parents or guardians of the inmates, in cases where the circumstances of the parties fully justify it. They will, I think, also satisfy you of the expediency of encouragement, by law, to the establishment of private Infirmaries and Asylums, in which there is reason to believe many will be maintained by their own means, or by relatives and friends; and that others, needing help from the State, can, in many cases, be provided for at much less than the present cost. They will also, it may be hoped, recommend to all entrusted with the administration of these Institutions, the duties of economy in expenditure and vigilance in oversight.

Many individuals of the classes partially provided for in the State Asylums, are inmates of the County Infirmaries. This fact imparts additional force to the general considerations which suggest further legislation for the regulation of these Institutions. I regret that the Commissioner appointed under the act of your predecessors to examine the reports required by it, and prepare a bill for the better endowment, regulation and management of Infirmaries, has as yet been unable to fulfil the duty imposed by his appointment. I trust, however, that the preparation of a proper bill and the necessary legislative action upon it will not be long delayed.

Another important element, entering into every adequate estimate of social condition, is that of Pauperism. In Ohio the pauper class is less numerous than in many other States: but is yet large enough to require thoughtful consideration. The number of poor, well or ill provided for, either temporarily or permanently, in Infirmaries, Houses of Refuge, or other Institutions, is estimated at 2,800; and the number of the same class receiving out-door relief, at 12,000, making the total number of poor supported wholly or partially by the public during the year, 14,800. Estimating the population of the State to be 2,400,000, the proportion of paupers is one in 162. The proportion of the same class in England is one in 12; in New York, according to the census of 1850, it was one in 50; in Massachusetts, one in 65. For the prevention of its increase in Ohio, we must rely on the aid of Education, upon the influence of Religion, and upon equal laws, securing to labor its just share of production. There is no reason to expect, however, that the poor will ever cease out of the land. Hereafter, as heretofore, it will be the duty of States and individuals to open wide the hand to the

needy. Let us hope that our own State, so honorably distinguished for her Institutions of Benevolence, will never fail in the just performance of it.

To ascertain the entire number of the dependent classes, it will be proper to add to the number of the Insane and otherwise naturally infirm, 6,040 and to the number of paupers, 14,800, the average number daily in confinement under charge or sentence for crime, estimated at 11,400; making the whole number of persons to be maintained wholly, or in part from public revenues or by private aid, 32,240.

This aggregate includes all the Insane, the Idiotic, the Deaf and Dumb the Blind, the in-door and out-door paupers, and the imprisoned. The whole mass may become at any time what much the larger portion is at all times, a charge upon the State. It is what may be justly called the infirm element of society. Its proportion to the whole constitutes an important indication of the moral and industrial condition of a State. That proportion in Ohio is as one to 75; in Massachusetts as one to 41; in New York as one to 20.

Under the general name of Crime, as an element of social condition, may be comprehended all action, associated or individual, which, violating moral obligation, inflicts injury on persons or society. What I have to submit to you relating to crime in our own State, will, however, be confined to the proportion of offenses against positive laws to the total population, and to their retarding and disturbing influences on the otherwise healthful and regular progress of society. The number of indictments for crime during the past year was about 3,600; the number of police arrests for crimes against the State not prosecuted by indictment, was about 3,200; the number of arrests for offenses against police ordinances 4,686; making the number of arrests for crimes and offenses of lower grade 11,486. The convictions carried into judgment, upon indictment, were 1,300. The murders during the year were 80, and the suicides 65. The proportion of crimes and offenses to the population was one in 208, the proportion of offenders being of course somewhat less. The proportion of murders was one to 30,000; that of suicides one to 36,923.

The infrequency of convictions as compared with indictments will doubtless attract your attention. It indicates a defective administration of criminal justice, to be remedied not so much by legislation, as by increased vigilance and firmness on the part of those to whom that administration

is committed. It is worthy your consideration, however, whether, upon convictions for murder in the first degree, it may not be expedient to authorize the courts to sentence at discretion to capital punishment, or to imprisonment for life. I am persuaded that, in many instances, murder escapes all punishment, or all adequate punishment, through the reluctance of juries to find verdicts which must necessarily be followed by sentence of death.

It is well ascertained that, of crimes of violence, nearly one-half have their immediate origin in intemperance, and that more than four-fifths of the police offenses are due to the same baleful cause. It is the abundant source of Pauperism, Lunacy and Disease, as well as of Crime. Its cost to society is beyond the power of computation, and its multiform influences for evil beyond the reach of estimate. I again invoke your attention to this vitally important subject, and trust that your action in regard to it may be wise and efficient.

In this connection I think it my duty to recommend to you the establishment of an Asylum for Inebriates. Much evil to individuals and society may be averted, and much positive good accomplished, by means of such an Institution. If established on the State Reform Farm, upon a judicious plan and scale, its cost need not be great.

The administration of civil, not less than that of criminal justice, is intimately related to social condition and advancement. When cheap, prompt, unbiased and sure, it guarantees industry, promotes enterprise, and insures progress. When dear, dilatory, impartial and uncertain, it impoverishes labor, discourages useful undertakings and introduces decline. In this State the people elect their Judges, and thus directly determine, in large measure, the character of judicial administration. The results thus far, especially in civil justice, have not disappointed the advocates of an elective judiciary. Incompetent judges have, it is true, been sometimes elected, and the evils of mal-administration have been sometimes felt; but the Courts of Ohio, considered in general, have nothing to apprehend from a comparison with those of any other State in respect to intelligence, learning or efficiency. The amount of their labors may be inferred from the fact that the number of civil suits last year was about 30,000, in 18,000 of which judgments were rendered. The number of suits involving serious controversy of law or fact bore, however, a small proportion to the whole.

Much the larger number were prosecuted for the collection of claims, and it is estimated that nine-tenths in amount of the debts unsecured by mortgage or otherwise, which class constituted three-fourths of the whole, was recovered or is recoverable. This estimate, if at all reliable, indicates plainly the grounds on which the high credit of the business men, as well as of the State of Ohio, is established. The whole debt of her people, public and private, as I took occasion to show last year, is hardly equal in amount to one-fifth of the property in the State, and the loss by individual failure in payment, is only two and a half per cent. of the debt. The rate of commercial hazard in credits, is therefore, comparatively insignificant.

Such is the social condition of the State, contemplated in some of its most important and interesting aspects. The sketch is necessarily imperfect, for the materials are inadequate. It may, not, however, be altogether without value, while the provision judiciously made by you, and the preceding General Assembly for a more ample collection of statistieal information will supply, hereafter, the means of more certain and more useful comparisons and deductions, than are possible now.

Passing from these general views to other topics of perhaps more immediate concern, permit me to invite your attention, in the first place, to our financial condition.

The Constitution requires that all property, of whatever description, and by whomsoever held, shall be listed for taxation at its true value. The revenues of the State, the Counties, the Townships, the Cities, the Villages and the School Districts, are raised by rates levied, if for State purposes, on the whole property listed, and if for local purposes, on the property listed within the proper territorial limits. The school laws of various years, but particularly of 1853 and 1854; the road and bridge laws of 1854, and other years; the poor-house act of 1831; one act of 1857; two of 1858, and some other acts of less importance, prescribe the rates of taxation.

The school acts direct the levy of one mill and six-tenths on each dollar of valuation throughout the State, for general school and library purposes, and of various rates to be fixed by the local authorities, for local purposes, such as the construction of school houses and the purchase of sites.

The road and bridge laws authorize rates for the objects indicated by their titles, varying from the twenty-fifth of a mill to nine and a half mills,

to be determined by the County Commissioners, and an additional rate not over six mills, to be levied by the County Auditor, on property adjoining roads within certain limits on the petition of the property holders.

The poor-house act of 1831, authorizes the levy by the County Commissioners of an indefinite rate for the erection of Infirmaries, and a rate not exceeding one mill for the support of the poor.

The act of 1857, requires the levy of seven-tenths of a mill for general state purposes; of nine-tenths of a mill for payment of interest and principal of the public debt; of rates for county purposes, within various limits from two to four mills, to be determined by the County Commissioners, with liberty to the Commissioners of Counties whose taxable values do not exceed \$3,000,000, to levy higher rates; of rates for township purposes, to be fixed by Township Trustees, but not to exceed one mill on the first \$2,000,000 of valuation, and one-fourth of a mill on the excess; of rates not exceeding four mills, for city and village purposes, to be fixed by city and village authorities; and of a rate for city purposes, not to exceed six mills, to be fixed by the City Council of Cincinnati.

The acts of 1858, require the Auditor of State to increase the levy for the payment of the State debt, whenever it may be necessary, in order to make the Sinking Fund equal in amount to the requirements of the Constitution and the laws, and direct the levy of seven-twentieths of a mill in each of the years 1858, 1859 and 1860, to provide means for the payment of the loan of \$700,000, authorized by the second of these acts, and intended to supply the deficit created by defalcation.

It thus appears that the rate of taxation for General Revenue, applicable to the support of the State Government, in all its Departments, Executive, Legislative and Judicial, and the payment of the cost of Public Buildings and the expenses of Benevolent Institutions, is less than half the general rate for schools and libraries, and but seven-ninths of the general rate for the public debt; while it sinks almost to insignificance in comparison with the local taxation for County, Township, City, Village and School District purposes.

It would contribute much to a clearer understanding of our revenue system by those entrusted with its administration, as well as by the people at large, if all rates of taxation were prescribed by a single law, and not by many as at present; and I respectfully recommend the expediency of such an enactment to your consideration.

The receipts of the fiscal year 1858 from taxation, tolls, convicts' earnings, and all other sources of revenue, properly so called, including the premium on the temporary loan, were \$2,931,756 17. The receipts from sales of school and ministerial lands, and the principal of the temporary loan, and the amount of July interest not called for in New York, and therefore returned to the Treasury,—all which items constitute debt rather than revenue—were \$826,965 40. The total receipts, therefore, were \$3,758,721 57. The disbursements were \$3,515,458 77, to which should be added the excess of the defalcation over former apparent balance, which was \$17,143 85, making a total of \$3,532,602 62. The balance in the Treasury therefore, at the commencement of the present fiscal year, was \$226,118 95.

The levies of each year produce the receipts of the next year. The receipts and disbursements of the current year, therefore, can at present be only estimated; the levies only which were made in part under the acts of the last, and in part under the acts of preceding sessions, are certain. The taxes paid, and to be paid, into the Treasury during the current year, arise from these levies. Referring you to former communications for information relating to former years, I shall state summarily the amount of taxable values, and of taxes levied in 1858. The total number of acres listed for taxation was 25,298,968. The valuation of these lands was \$437,183,132; that of Town and City lots, \$153,102,815; that of chattles, \$250,514,084; making the aggregate valuation of all taxable property \$840,800,031. The taxes levied for general State purposes were, for Sinking Fund, \$1,047,902; for general State purposes, \$587,206; for Common Schools, \$1,259,092; for District School Libraries, \$83,920; in all \$2,978,122. The levies for County purposes were, for County expenses, \$1,130,939; for Bridges, \$361,988; for the Poor, \$222,471; for Building, \$320,954 57; for Roads, \$350,435; for Railroads, \$462,430; in all \$2,849,220. The levies for Township, City, and other local purposes, were, for Township expenses, \$284,051; for Schools and School Houses \$1,438,811; for City, Town and other special taxes, \$1,633,816; making a total for Township and City taxes of \$3,356,678; to which add for delinquencies and forfeitures, \$572,630; making the aggregate of county and other local taxes, \$6,778,528.

A slight degree of attention to these facts will correct the common notion, that the addition to existing taxation of a new levy of some fraction of a mill, cannot be of much consequence. The levy for school libraries

is \$83,920; yet the rate is but one-tenth of a mill. It is the aggregate of such rates, which considered separately and without reference to the sums produced, seems so inconsiderable, that constitutes the total burden of taxation.

While these considerations must recommend, not to the General Assembly only, but to the local authorities even more emphatically, the duties of prudence, forbearance, and careful economy, there is yet something in the objects to which the revenues are devoted which may reconcile us, in some measure, to the taxation which we bear. A very large proportion of all the public income is expended directly for the common good. The levies for schools, school houses and libraries amount, for example, to \$2,781,822, or nearly one-third of the taxes in all forms and for all purposes. Yet who would dispense with our schools, school houses, or libraries? Who does not know that this expenditure is more than reimbursed in the enhanced value of property, and the augmented power of the people? To taxation for these and similar purposes, the proceeds being honestly and economically applied, the people cheerfully consent. They murmur, and justly murmur, when their burdens are augmented beyond the proportion of benefits by improvidence, waste or speculation. For the prevention of these evils, the people must look to the County Commissioners, Township Trustees, Boards of Education, and City and Village Councils, even more than to the General Assembly. It cannot be too deeply impressed upon the public mind, that the discretion committed to these local authorities, however limited and guarded, must be necessarily large, and that, in respect to the imposition of far the largest proportion of taxes, they constitute the real legislatures. Too much care cannot be exercised in the choice of citizens to fill these important positions.

To ensure the safest and most beneficial workings of our financial system it seems desirable that assessment, levy, collection and disbursement be brought as closely together as possible. I can see no good reason why assessments may not be made and equalized, levies determined and duplicates prepared during the last quarter of each fiscal year. This would bring levies into close proximity to collections and ensure the most exact proportion possible between values and taxes. Nor do I perceive why County Treasurers collecting revenue for the State should not be required to report their collections at brief intervals, in the same manner as the col-

lectors on the canals, and hold them subject to the draft of the Comptroller, or why their final settlements with the State Treasurer should be delayed to the late day now designated by law.

Each year's income should, as nearly as is practicable, pay each year's expenses, and no money should remain in the Treasury except what is needed for current disbursements. The act passed at your late session, providing for the semi-annual collection of taxes was, in my judgment, a wise step in the right direction, and I am glad to know, has given general satisfaction in its practical operation. The act authorizing drafts by the Comptroller upon the County Treasurers, for the taxes collected in December, just past, in order to their application to payment of the interest due on the first of the current month, was another step towards the same end. Justly obnoxious to censure as was the practice of collecting from the County Treasurers by similar drafts, in advance of their regular settlements, large sums to be added to large balances already in the Treasury or to supply the place of large balances fraudulently abstracted, it can now hardly admit of question that our safest future policy will be to pay our January interest from December and our July interest from June collections. As far as possible also, the expenses of the first two quarters of each fiscal year should be defrayed from the former, and those of the two last quarters from the latter collections. I recommend such legislation as may be deemed necessary to give practical effect to these suggestions by providing for the prompt payment into the State Treasury of the State's proportion of taxes as soon as collected, and requiring earlier settlements by the County Treasurers with the State Treasurer. Such legislation would enable the Auditor of State to lay before the General Assembly, at an early day in each session, a statement of the actual receipts from taxes in December, and the estimated receipts in June, as well of the actual and estimated receipts from all other sources during the year, and this statement would supply a basis for economical and intelligent appropriations for the ensuing three-quarters of the current and the first quarter of the next fiscal year.

A judicious law prescribing rates of levy will tend to ensure moderation in taxation; the payment of current expenses from current income will prevent the evils of accumulation in the Treasury; the restriction of appropriations to actual receipts, and of expenditures to appropriations will restrain, the former, legislative, and the latter, administrative extravagance. These, in my judgment, are the essentials of a good financial system.

Under such a system the custody of the public revenue would involve far less hazard than heretofore. Still, under any system, while collections from taxes for all purposes State and local, cannot be expected soon to fall below four millions, and may exceed, as in 1854 and, in the present year, four millions and a half semi-annually, of which a moiety will not be required for disbursement, until some time after collection, and a portion will remain for six months or more, the point of custody will remain one of great importance.

The safe keeping of the public money, therefore, properly engaged a large share of the attention of your immediate predecessors, as well as of your own. The chief essential point of difference between the modes adopted seems to be that the latter, while requiring ample securities from depositaries for payment on demand, did not contemplate the withdrawal of the moneys deposited from the transactions of business, until wanted for public purposes, while the latter seems to intend the actual keeping of all public moneys in the hands of State and County Treasurers until required for disbursement in discharge of public obligations. If the safety of the public moneys is equally insured by either mode, the former appears to be entitled to preference; for money is machinery, whose work is exchange, and it is obvious that the withdrawal from use of considerable sums for considerable periods must in some measure interrupt and embarrass the operations of business. But safety is the paramount consideration, and no mode of custody is admissible which does not secure it as far as it can be secured in any mode.

In a former communication I thought it my duty to recommend to your consideration a plan for the safe keeping and disbursement of the public moneys, which seemed to me to combine security with convenience. That plan failed to commend itself to your approval; but you did not omit to establish by law a system of regulations, intended to accomplish the same general purpose. Few measures fulfill perfectly the designs of their authors; and some defects have become apparent in the practical workings of the act of last session to which I think proper to direct your attention.

The act itself was doubtless designed to incorporate into the administrative system of Ohio, the leading provisions of Federal legislation on the same subject. There are, however, among other differences between the Federal system and that which has been thus inaugurated in our own State, two which seem to me especially worthy of consideration. Under the Federal laws all officers having custody of public money are appointed by the Federal Government, and are required, from time to time, to give

such bonds, with such securities as the Federal authorities may require. Under the act of last session the County Treasurers throughout the State are made depositaries of the State as well as the County revenues; of the revenues derived from canal tolls and other sources, as well as those derived from taxation. They are also constituted agents for the transfer of public funds, and fiscal agents of the State, under the law. Yet these officers are not appointed by the State Government; are not required to give bonds to the satisfaction of any State officer; no State officer is authorized to ascertain the sufficiency of the bonds actually given, or to require in proper cases new bonds or additional securities. The whole matter of these bonds is left where former laws placed it, under the supervision of the County Commissioners, and it may well be doubted, whether the conditions of those heretofore given apply to all the duties required by the recent treasury law.

This is a matter which deserves, and will, I doubt not, receive your attention. While you will probably think it best to adhere to the plan of constituting the County Treasurers State depositaries, rather than recur to the plan, which seems to me preferable, of directing the selection of depositaries by the State Treasurer, you cannot fail to appreciate the importance of throwing around the public deposits, in whatever hands, all practicable guards and securities.

The other point of difference between the Federal and State systems which seems to me most important is this: The Federal system prescribes the medium in which payments may be made into the Treasury. It directs that all such payments shall be made in gold or silver, or Treasury notes. A corresponding provision in State legislation would require such payment in gold or silver, or the notes of specie paying banks organized and regulated by State laws. The act of last session makes no provision at all in relation to this very important matter; and by the omission, seems virtually to require the receipt, for taxes and other State dues, of whatever may be current as money in the several localities where payments are made. Such has, I understand, been in fact the general if not universal construction of the act by the County Treasurers and other public officers.

Thus, construed, the act fails wholly of its intent. It allows the Treasurers to receive, and under it the Treasurers have actually received, a large proportion of the taxes in the notes of numerous banks of other States. It has thus virtually encouraged the circulation within our limits of a currency subject in no respect to the control of our legislation, and, to this

extent, has promoted deterioration rather than improvement of the circulating medium. The paper thus paid into the different Treasuries is, at best, only the representative of money in the possession of the banks which issue it; and thus, to the extent of its reception, foreign banks and not the Treasurers, have been the real depositaries of the public funds. Instead of increasing the security, it has thus increased the insecurity of custody.

I respectfully recommend the correction of these defects. If it shall be decided that the County Treasurers shall be continued as depositaries and agents for the transfer of State revenues, they should be subjected, at least in respect to these funds, to the supervision of State officers, and required to give ample bonds, to be deposited with the State Treasurer, for the performance of these duties. Nor is it less important that the medium in which taxes may be paid, be ascertained by positive legislation. A provision requiring such payments to be made in coin or specie notes of our own Banks would, in my opinion, be safe, useful and not inconvenient. It would be safe, for every dollar in the Treasury would either be specie or the equivalent of specie, made such, not merely by the solvency of the Bank issuing it, but by the guaranty of all the Branches of the State Bank, or by State and Federal Stocks in the actual custody, rendered absolutely secure by your judicious legislation, of the State officers; it would be useful, for it would promote a sound circulation of specie and specie notes; and it would not be inconvenient, for the circulation, obeying well-known principles, would increase and diminish with the demand.

The debt of the State is of two classes, reimbursable and irreducible; the former embraces the foreign and domestic liabilities payable after certain fixed periods; while the latter is constituted of the proceeds of lands, granted by Congress for the support of Schools and Religion, received into the Treasury upon sales by the State, under a pledge to pay six per centum on the amount, for the same purposes, forever.

The reimbursable debt has been sometimes spoken of as the whole debt of the State, but the irreducible differs from it in nothing except that it is permanent, and incapable of reduction, but on the contrary, certain to be gradually increased until the last proceeds of School and Ministerial lands shall be received. It follows that no real reduction of the amount of the State debt can be effected except by payments exceeding in amount the sums derived from these lands.

During the last year the reimbursable debt was increased by \$700,000, being the amount of the temporary loan authorized at your recent session, and the irreducible by \$69,602 88, being the amount of proceeds of School and Ministerial lands received into the Treasury. It was diminished by the payment \$12,004 00 of foreign debt. At the commencement of the present year the aggregate debt of all descriptions was \$17,169,972 84.

Of this, the sum of \$6,413,525 27 will become payable after the 31st of December, 1860. I have heretofore invoked the attention of your predecessors, as well as your own, to this maturing liability; urged the propriety and necessity of seasonable provision for it, and suggested what seemed to me the best modes of making that provision. It is to be regretted that no provision has been made. It seems highly probable that, had the necessary authority been conferred by the Legislature on the Commissioners of the Sinking Fund, the means to pay so much of this debt as will not be discharged by other resources, might have been obtained during your recess, through a new loan at five per cent. or even a less rate. It may be that such a loan can yet be negotiated, and I trust that the magnitude of the saving to be thus effected will command for this subject your earliest attention.

Under the operation of the very salutary act of the last session in relation to the Sinking Fund, the sums legitimately belonging to it, but heretofore appropriated under legislative sanction, to other State purposes, will doubtless be replaced through the additional levy required by the act, and future diversions to any other uses than those to which the Fund is pledged, will be prevented. Under another act providing means for reimbursing the temporary loan, over two hundred thousand dollars will soon be paid into this fund. It will not be required for payment of the loan until July, 1860. Provision should be made for its safe and productive investment during the interval.

An act of the last session prescribed a rule for the uniform taxation of banks. The justice of such a rule cannot be successfully impeached, nor can it be denied that property employed in banking should bear a proportion of the common burden equal to that imposed on other property. Upon the point whether the rule prescribed is in fact equal, differences of opinion may well exist; but repeated decisions of the Supreme Court of the State leave no room for question that the rule of the act is, sub-

stantially, the rule of the Constitution; or for expectation that it can be materially changed, while the Constitution itself shall remain unchanged.

It is claimed, however, by the banks organized under the act of 1845, incorporating the State Bank of Ohio and other Banking Companies, that the section of that act, prescribing the rule of taxation for them, is a contract, not liable to be impaired by subsequent legislative or constitutional provision; and that they are, therefore, not liable to be taxed by a different rule, however warranted by constitution or law in respect to institutions not similarly protected. This claim, originally asserted against the rule of taxation established by the act of 1852, was denied by the Supreme Court of the State, but sustained by the Supreme Court of the United States. Notwithstanding the latter decision, the Supreme Court of the State, in a judgment of December Term, 1857, has announced its adherence to its original position. The claim of the Banks therefore cannot be recognized as valid by the officers of the State.

These institutions, however, relying upon the decision of the Supreme Court of the United States, have placed to the credit of the State, as heretofore, the taxes required by the act of 1845, and have made no return for taxation under the act of last session. In some instances injunctions have been obtained from the Federal Courts, restraining the proper officers from the execution of the law. These injunctions and some defects in the act indicated in the Report of the State Auditor, have prevented any collection of taxes under it, while the law itself has prevented the collection of the sums set off in lieu of taxes under the act of 1845.

These circumstances have caused some diminution of the revenue, and present the question whether the State will again contest in the Federal Courts the claim to exemption set up by the Banks, or so modify the act of last session as to save the Banks claiming it from its operation. Should the first of these alternatives be preferred, some amendment of the act may be found necessary, and adequate provision for the unavoidable litigation should be promptly made.

The acts of the last session, appointing certain citizens to appoint Directors of the Penitentiary and Commissioners of the State House, having been adjudged unconstitutional by the Supreme Court, the Board of Directors and the Board of Commissioners organized under the act of 1856 have continued in the discharge of their respective duties.

The increase of the number of convicts beyond the number of cells, renders it indispensable to provide for the enlargement of the existing,

or the construction of a new Penitentiary. Considerations of economy recommend the former alternative. Provision should also be made within the Penitentiary enclosure for convict lunatics. The General Assembly in 1845 directed such provision, but the necessary appropriations having never been made, the direction has never been executed. In the absence of proper accommodation in the Penitentiary, such lunatics must be transferred under Executive warrant to one of the existing Asylums. This is clearly wrong. The criminal insane should never be introduced into Asylums, where the innocent and the respected, suffering under the most fearful of calamities, find their best refuge.

The work on the State House advances towards completion under the vigilant and judicious supervision of the Acting Commissioner and his associates. Some alterations and additions are suggested by the architect, which would certainly improve the proportions and enhance the simple grandeur of this noble structure. It will be for you to determine whether the condition of the Treasury will warrant your sanction of them.

The rooms for the Library will soon be completed. A small part only of the small appropriations made for books has been expended for several years past. The Commissioners thought it injudicious to make considerable additions to the library, before it could be properly classified and permanently arranged. They now propose to make only such as seem most clearly necessary. The statements of their report in relation to the arrangements made for exchanges within the past year, by which many valuable works have been and more will be obtained, as well as its suggestions generally, will properly receive your attention.

The collection of Arms required by your predecessors has been completed, and a statement of the result will soon be laid before you. The proceeds of sales of that portion unfit for service cannot with propriety be appropriated to other than military purposes. No more beneficial application of them will probably be suggested than to the construction of a State Arsenal, and I therefore recommend their appropriation to that object.

There is probably a considerable quantity of arms yet uncollected. These are so scattered that the cost of collecting them by special agents would exceed their value. It may be expedient to require the Prosecuting Attorneys and Sheriffs of the several counties to collect and forward to the State Arsenal such as they can find, and to provide for their compensation by a liberal per centage.

To prevent as far as practicable future misuse and loss, I recommend that hereafter no arms be issued until bonds with sufficient sureties for their safe-keeping and use according to law, shall have been deposited with the Quarter-Master General.

Among the subjects proper for your consideration, that of the extradition of fugitives from justice may well have place. Warrants of extradition issued upon requisition from other States have been sometimes used for the purpose of extorting compromises or enforcing payment of pecuniary demands. Such use is gross abuse, and should be arrested by penalties adequate to the object. Some latitude of discretion has been exercised by my predecessors as well as myself in respect to the surrender of persons charged in other States with offenses not punishable as crimes under our own laws. The general rule has been to refuse interposition in such cases. It deserves consideration whether the exercise of this discretion, especially in cases of indictment for obtaining goods by false pretenses may not, with advantage, be regulated by law.

It is with great satisfaction that I again direct your attention to the State Reform Farm. Two years since such an establishment in this country was an untried experiment. It is no longer an experiment, but a success. That it is so is due, first of all, to the prudent and yet liberal legislation of your predecessors and yourselves: but in no less degree to the fidelity, discretion, energy and economy which has characterized the administration of the Acting Commissioner and his associates. In obtaining large results from expenditures comparatively small; in method of accounts, and in full and clear exhibition of its working and condition, this Institution may justly be proposed as a model to similar establishments.

The whole number of boys committed to the Institution is forty-eight, of whom fourteen have been honorably discharged, and one has escaped. One hundred and twenty can be accommodated in the three family buildings already erected, and the three similar buildings soon to be constructed will admit one hundred and twenty more. The number of buildings can be increased indefinitely as wanted, at very moderate cost, but it is not probable that any others than those now contemplated will be needed for several years.

It has been suggested that the farm and family system adopted in this Institution may be usefully introduced in the care and education of deaf mutes, and the suggestion merits careful consideration.

I venture to recommend, in this connection, legislative provision for meetings, from time to time, of the Superintendents of the various Benevolent and Reformatory Institutions of the State for comparison and improvement of plans of administration, methods of reporting, and systems of accounts. I cannot doubt that much good would result from such conferences.

I suggest, also, that the time for making the reports now directed by law to be made by the 20th of November, be extended to the first of December in each year, and that the provisions of law applicable to these documents be so extended as to embrace all reports required to be laid before the General Assembly. Such a regulation, uniform in operation and duly enforced, would essentially aid the Executive in preparing a proper statement of the condition of the State, and greatly facilitate the dispatch of business by the Legislature. Such reports as have been prepared and printed will be promptly laid before you.

No financial interests more important than those connected with the Public Works demand your care. The immense sums invested in them; their extent and magnitude; their business relations, and the large revenues collected and disbursed in their administration, justify the solicitude always felt by the people concerning their condition and management. The Constitution confides their superintendence and control to a Board of three members; and to secure the constant advantage of judgment improved by experience, through the constant presence of some members who have served for considerable periods, assigns three years as their term of office, and requires the election of one member each year. The authority, entrusted to the General Assembly, to prescribe the powers and duties of the Board and its several members must, in my judgment, be limited necessarily by its nature and object. So limited, it is an authority to prescribe the powers and duties of the Board in general superintendence and control, and not an authority to divest the Board of these constitutional functions; it is an authority to prescribe the powers and duties of its several members in subordination to the Board, and not an authority to constitute each member an independent Board, in separate and substantially uncontrolled charge of the whole or part of the Public Works. If not so limited, the authority of the General Assembly over the Public Works is clearly unlimited. It may restrict the superintendence of the Board to the Walhonding Canal with its insignificant revenue of seven or eight hundred

dollars a year, and give to some one member the entire management of the rest. It may abrogate the Constitutional Board of three members, and substitute three Legislative Boards of one member each, giving in charge to each just as much and just as little of this great and important property as it may see fit. I cannot think that such a construction of the Constitution can commend itself to your judgment, and I therefore venture to recommend the reconsideration of those provisions of the act of the last session which divide the Public Works into three sections, and, excluding virtually all superintendence of the Board, commit each section in appointment of officers, disbursement of moneys, and general management, to a single member.

In this connection, the system of repairs and payments on these works should receive consideration. Under the act of the last session, the member in charge of each section, appoints the Engineers assigned to it. These Engineers certify claims for work and materials to the Member in charge; the Member in charge, upon these certificates, draws his check on the Auditor for payment; and the Auditor is required, without further evidence of the claim, to issue his warrant for the amount upon the Treasurer. No fact has come to my knowledge exciting suspicion that this large discretion in the expenditure of the large sums appropriated for the Public Works has been abused, but it is certainly worthy of consideration whether the principle of checks and limitations upon disbursements which has been applied in other departments of expenditure may not be properly introduced into this.

The extraordinary floods of the last summer were attended by disastrous consequences to the canals. So numerous and extensive were the injuries to the southern portion of the Ohio Canal and on the Hocking Canal that it was impossible to make the repairs necessary to navigation, and consequently to revenue, without considerable expenditures beyond the sums appropriated to that purpose. In this emergency I did not hesitate to advise what the interests of the State clearly required, prompt repairs and payment as far as the money could be spared from the Treasury, by drafts in excess of the appropriations. I do not doubt your approval of what was then done, or that provision will promptly be made for the drafts drawn in this emergency; but to guard against the recurrence of similar exigencies, I recommend that a contingent fund be provided by law, from which

expenses made indispensably necessary by unforeseen contingencies of this character, may be regularly paid.

The expenditures on the Public Works have, during the past year, again exceeded the revenues, and the question of their future disposition must necessarily demand your attention. My own views upon this subject have been sufficiently stated in former communications. The policy of sale in proper sections, for adequate prices, under such guards and restrictions as will ensure the continued use of the canals for the purposes they were designed to serve, and exclude the control of the interests now competing with them, will probably best fulfil the wishes of a majority of the people. Neither public sentiment, however, nor sound policy recommends a sale for less than their real value, not measured by one or two years of disaster but ascertained by thorough examination of all the determining circumstances, or without such limitations as will ensure, beyond any probable contingency, the ends of their construction.

The agricultural progress of the State during the past year has been steady, and upon the whole satisfactory. By the unfavorable weather and the attacks of insect enemies some crops have been diminished, and some almost entirely destroyed, while one or two have exceeded the usual average, and the deficiency in quantity of others has been compensated by excellence of quality. The health of the people has been good, and constant improvement has characterized the instruments and methods of cultivation. I renew the recommendations addressed to you at your last session relating to this great and leading interest; and especially recommend to your attention the admirable Report of the State Board, which cannot fail to exert a most beneficial influence.

I think it my duty again to recommend to you, the repeal of the act allowing interest at the rate of ten per cent. It would be far better, in my judgement, to leave the subject of interest without regulation than to regulate it in such a way as to encourage usury, embarrass enterprise, and impoverish industry.

My opinions, fully communicated to you at your last session, in respect to the just claims of this State upon the Federal Government, as well as in respect to the proper interest of Ohio in the due administration of that Government, and, especially at this time, in its action upon the momentous question of Slavery, remain unchanged and need not be restated.

Permit me to congratulate you upon the auspicious circumstances under

which you resume the grave duties of legislation. The storm of financial disaster which swept the land in the summer and autumn of 1857 has abated, and, though its effects are yet visible in much remaining embarrassment, there is every reason to anticipate the speedy return of general prosperity. The defalcation which then oppressed our finances, has been supplied by your provident legislation; and general fidelity and efficiency have marked the several departments of administration. From this point we may well look to the future with hope and confidence. Differing, as we often may, as to the best means of promoting the public welfare, yet, differing ever with mutual respect and mutual personal good will, we may often find ourselves able to harmonize differences by mutual concessions, and combine our efforts for the common good. Accept my assurance that in all your endeavors towards this sole end of virtuous patriotism, you may confidently rely upon my zealous co-operation, and that my sincerest wishes will be accomplished, if, under the guidance of Divine Benignity, your legislation shall be directed to such prosperous issues that this General Assembly may ever be remembered with gratitude by the People of Ohio.

S. P. CHASE.

COLUMBUS, January 3, 1859.



